

At the heart of any discussion on the causes of the recent recession lies the “supersector” industry dubbed financial activities by the Bureau of Labor Statistics. Speak of panics, TARP, sub-prime loans, mortgages, derivatives, toxic loans, and bailouts and you’ll soon be talking about institutions included in the financial activities industry.

However, while this industry does include banks, mortgage brokers, credit unions and central banks, it also includes insurance companies, real estate management, and rental/leasing firms. Among the largest financial activities firms in Utah you’ll find Zions First National Bank, Wells Fargo Bank, and Discover Card Services.

How Big?

In 2008, the financial activities industries encompassed more than 74,000 Utah jobs—roughly 6 percent of total nonfarm employment. Over the past decade and a half, financial activities payrolls have grown faster than employment in general. Back in 1993, industry employment measured only 5.2 percent of total nonagricultural employment compared to almost 6 percent today. Roughly two-thirds of financial activities jobs can be found just in Salt Lake County.

Taking Its Toll

Not surprisingly, the recession has taken its toll on financial activities payrolls. This industry started losing employment before many other industries. Between August 2008 and August 2009 (the probable low-point of the recession), financial activities employment slipped by 3 percent—almost 2,500 positions. On the other hand, this loss proved smaller than employment declines in general which averaged almost 6 percent in the same time period.

The Averages

In 2008, the average monthly Utah financial activities wage measured just more than \$3,900. That’s 25 percent higher than the statewide figure and ranked second only to mining. The high-wage, high-bonus banking and financial sectors are the primary reason for this industry’s impressive wage status. The industry hires few workers under 25. However, workers 25-34 show the largest share of financial services employment. In addition, females predominate in the industry. Women held roughly 57 percent of financial activities jobs in 2008 compared to only 46 percent of total jobs. ⓘ

THE FINANCIAL

A woman with dark hair tied back, wearing a dark blazer, is seen from the side, working on a laptop. She is in an office setting with a large window in the background that offers a view of a city skyline with several high-rise buildings. The lighting is bright, suggesting daytime.

For more information on the financial activities industry, see:

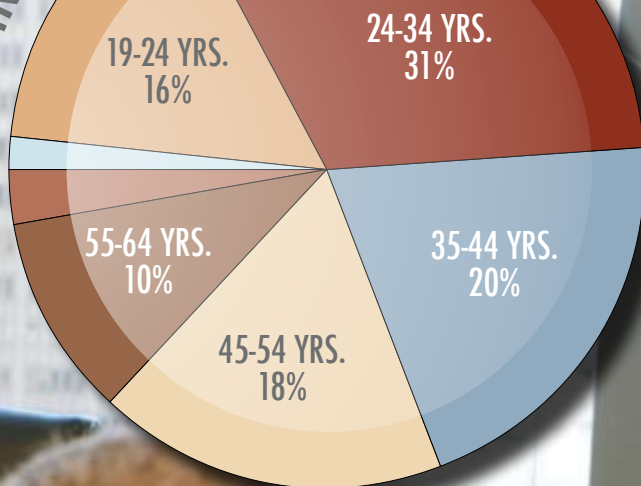
- <http://jobs.utah.gov/opencms/wi/statewide/ifsheets/realestateleasing.pdf>
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UTAH 2008

FINANCIAL ACTIVITIES EMPLOYMENT

BY AGE GROUP

14-18 YRS. 2%
65+ YRS. 3%



Source: U.S. Census Bureau; Local Employment Dynamics.

ACTIVITIES INDUSTRY

UTAH ANNUAL CHANGE IN NONFARM JOBS

Source: Utah Department of Workforce Services.

